

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
FIRST-CLASS PACKAGE SERVICE CONTRACT 44
(MC2016-82)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-107

**USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 1,
WITH MATERIALS FILED UNDER SEAL**
(May 31, 2018)

The United States Postal Service hereby provides its response to Chairman's Information Request (CHIR) No. 1, which was issued on May 25, 2018. A response was due no later than May 31, 2018. The request is reprinted verbatim in the attached, and is followed by the Postal Service's response. Material associated with this response is being filed under seal. The Postal Service herein incorporates by reference its Application for Non-Public Treatment in this docket for the protection of the material filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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May 31, 2018

USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

REQUEST:

The Amendment changes the negotiated prices to be paid under the contract. Notice at 1. Please submit financial workpapers and a certified statement as required by 39 C.F.R. § 3015.5(c).

RESPONSE:

Attached are the certified statement and the redacted financial workpapers for this amendment. The unredacted financial workpapers are being filed under seal.

**Certification of Prices for Amendment to
First-Class Package Service Contract 44**

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to First-Class Package Service Contract 44. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Steven
Phelps**

Steven R. Phelps

Digitally signed by Steven Phelps
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